

CORRECTED FISCAL NOTE

HB 3046 - SB 3700

February 18, 2008

SUMMARY OF BILL: Reduces the handgun carry permit application fee from \$115 to \$100.

ESTIMATED FISCAL IMPACT:

On February 5, 2008, we issued a fiscal note on this bill indicating a decrease of state revenue of \$725,100 per year. Based on additional information received from the Department of Safety, the fiscal impact of this bill is estimated as follows:

(CORRECTED)

Decrease State Revenue - \$361,100 / Earmarked to the Department of Safety for offsetting costs of the handgun carry permit program

Decrease State Expenditures - \$361,100 / Department of Safety reducing costs of the handgun carry permit program

Assumptions:

- Handgun carry permit renewals are excluded from this fee reduction.
- Fee reduction only applies to new handgun carry permit applicants.
- According to the Department of Safety (DOS), the number of new handgun carry permit applications is estimated to be 26,075 per year.
- The decrease to state revenue is estimated to be \$391,100 (26,075 new permits x \$15 reduction = \$391,125) per year.
- According to DOS, revenue generated from new handgun carry permit application fees is a dedicated source of revenue which funds the operation of the handgun permit program. DOS further indicates that a reduction of departmental revenue of this magnitude would require the department to reduce expenditures by an equivalent amount. This

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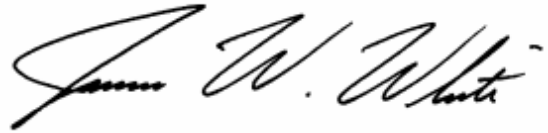
CORRECTED

would most likely result in approximately twelve positions being eliminated. Thus, the decrease of state expenditures is estimated to be \$391,100 per year

- \$15 of the total application fee is earmarked under current law for the Tennessee Bureau of Investigation (TBI) for updating and maintaining its fingerprint criminal history data base. This allocation to TBI would remain unchanged.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" written in a smaller, more compact script than the last name "White".

James W. White, Executive Director

/rnc